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Nos. 9875, 9876, 9903

Supreme Court of the United States

OCTOBER TERM No. 546 - 548

No. 9875

LUCY B. O'LEARY and THE ROTOR CLOCK
COMPANY,

Petitioners,

v.

THE LIGGETT DRUG COMPANY,

Respondent.

No. 9876

LUCY B. O'LEARY and THE ROTOR CLOCK
COMPANY,

Petitioners,

v.

SEARS, ROEBUCK & COMPANY,

Respondent.

No. 9903

LUCY B. O'LEARY and THE ROTOR CLOCK
COMPANY,

Petitioners,

v.

THE JOHNSTON-SHELTON CO., a corporation
of Ohio, d. b. a. THE HOME STORE,

Respondents.

PETITION FOR WRIT OF CERTIORARI AND BRIEF IN SUPPORT THEREOF

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CINCINNATI, OHIO



INDEX

	PAGE
Statement	2
Questions Presented	7
Reasons for Granting the Writ	9
Certificate	10
Brief in Support of Petition for Certiorari	10
Jurisdiction	10
Specification of Errors	10
Statement	11
Argument	15
Appendix	19
Affidavit	19
Drawings	22

TABLE OF CASES

The Cuno Engineering Corp. v. Automatic Devices Corp., 314 U. S. 84	17
Dow Chemical Co. v. Halliburton Oil Well Cementing Co., decided Mar. 5, 1945, — U. S. —	17
Dunn Mfg. Co. v. Standard Computing Scale Co., 163 F. 521	11
Goodyear Tire & Rubber Co., Inc. v. Ray-O-Vac Co., 321 U. S. 275	17
Lawther v. Hamilton, 124 U. S. 1	9, 11
Schriber Schroth Company v. The Cleveland Trust Co., 305 U. S. 47	9
Sinclair & Co. v. Interchemical Corp., pub. May 21, 1945	17



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PETITION FOR WRIT OF CERTIORARI

To the Circuit Court of Appeals for the Sixth Circuit

*To the Honorable Chief Justice of the United States,
and the Associate Justices of the Supreme Court of
the United States:*

Your petitioners, Lucy B. O'Leary and the Rotor Clock
Company, pray for a writ of certiorari to the Circuit Court
of Appeals for the Sixth Circuit, to review the judgments

of that Court entered July 26, 1945. There are three cases involved, tried together and decided together. Your petitioners were required by the parties defendant below, to file two records in the Court of Appeals. A transcript of the record in each case including the proceeding in the Court of Appeals is furnished herewith in accordance with the rules of this Court. The records are almost identical, and references hereafter will be to the record in Appeals Nos. 9875 and 9876.

STATEMENT

1. This cause is a regular patent infringement suit brought by Petitioners, plaintiffs and appellants below, on patent No. 1,971,793 against a series of defendants, who constitute the chief manufacturers of low price electric clocks in this country, through suits against dealers, whose places were taken by the manufacturers at the trial. They were Hammond Instrument Co., Westclox Division of The General Instrument Co., E. Ingraham Co., and the Gilbert Clock Co.

2. Both the District Court and the Court of Appeals made findings which are in agreement to the effect that although the patented device was one of extreme simplicity over the prior art, the novelty inherent in this simplicity of structure exhibited only mechanical skill over the art. Both Courts refused to take into consideration the commercial history of the invention, in coming to this conclusion, relying instead on expert testimony.

3. Both Courts recognized that the Patent Office Board of Appeals, on an issue substantially identical with the issue presented to them as to mere mechanical skill, held that "there is invention in this radical simplification of the device." Except for one cited type of prior art patented structure of major complexity, the same patents before the Board of Appeals of the Patent Office were before the

Courts, yet the opposite conclusion was drawn therefrom. Thus the conclusion on the point of mechanical skill versus invention could not be free from doubt.

4. The O'Leary invention was shown on the record to have been made by a man of limited means at Dayton, Ohio, working with his sons in a small shop. Soon after his invention was prepared he started to try to obtain licensees under it, and just before the Depression, obtained a promising licensee. This licensee failed in 1929 and 1930. The invention was brought to the attention of other manufacturers. Many of them started to negotiate for licenses. Then they started to defy O'Leary, twitting him with lack of means to protect himself, but in the meantime putting his invention to use. There ensued a long struggle with poverty. The father died. His sons, one of whom could get no job but driving a trolley bus, and the other of whom was married and working as a teacher, stimulated perhaps by a desire to vindicate their father, vainly endeavored to get respect for their patent through licenses. Once or twice it appeared as if help could be obtained to prosecute infringers; but when it appeared that the industry would gang up on the O'Learys, this help faded away. Finally friends in their home town offered financial help to bring one action, and the suits in question here were brought. Against the O'Learys was arrayed the technical and legal talent of practically the entire small motor art. As of the date the suit was brought none of the prior art motors designed for uses to which the O'Leary motor was devoted were being used. Everyone was using the O'Leary motor (Rec. pp. 169 through 209).

5. It was old to make a motor by using a toothed rotary disk and a single magnet pole, and old to make a motor with a toothed disk and two magnet poles, opposite in polarity to each other; but wherever it was attempted to multiply the power by multiplying the magnet teeth in a

motor using a toothed disk rotor, it had been the practice to set up a series of magnets, or place windings on the teeth of the toothed disk or place numerous windings or coils on the magnet. The art apparently saw no other way of permitting the use of a series of magnet poles to cooperate with the series of teeth on the disk. What O'Leary did was to make up a motor with only a *single* magnet with *two* poles but he cut these into a *series of teeth*. He used a rotary toothed disk without any windings on the teeth, and placed no windings on the magnet teeth. This gave O'Leary the power resulting from a series of magnets pulling on the teeth of the rotary member, yet saved at one sweep all of the complications of the past. The effect of the arrangements in prior motors was to give impulses to the rotary disk which were more or less tangential to the disk. The effect in O'Leary was to give impulses which were reciprocatory and would seemingly hold the rotary disk in a fixed position, not cause it to move (Court of App. Decision p. 4).

6. It was possible for experts to take models of the motors of the prior art and pull away the windings, incidentally leaving the slots in place which were used for the location of the windings, and make a motor responding more or less roughly to the O'Leary motor, or to pull away a magnet and cut teeth in the remaining one and again produce an O'Leary motor out of a prior art motor. They demonstrated this in Court. It was possible for the experts for the grouped defendants to figure out a generalization which brought the O'Leary mode of operation and the prior art motors into single class. Cryptic language in a book by Steinmetz, flashed on plaintiffs below at the trial, was relied upon to support this generalization (Rec. 260, 340). Yet in the patent on one of the two motors referred to above (Holtz) it was said that the winding on the pole teeth gave a "rotating field" to the motor, and it was said in effect in the other of the two patents (Coerper) that

because the rotating disk *retained* its magnetism, it was not possible to do what O'Leary did (See Appended Brief for References).

7. Both the District Court and the Court of Appeals on those facts held that the reason for the winding on the Holtz motor was to make it self-starting (not the reason given in the patent), and that the reasoning given in the Coerper patent as to the requirements of a pair of magnets was a mistake on the part of the patentee and would not mean that the O'Leary construction would be impractical, (directly contrary to what the Coerper patent stated). They further both held that *those skilled in the art would know that the changes over the Holtz and the Coerper patents could be made* with the results which O'Leary obtained, a fact which they concluded largely from the demonstrations by experts in Court above referred to.

8. It is deemed most significant that in the face of a decision of the Board of Appeals in the Patent Office this stripping away and revamping to extreme simplicity was inventive in nature, and in the face of the fact that it was necessary in their determination for the Courts to say *what those skilled in the art would know*, it was nevertheless concluded that there was no necessity for considering the commercial history of the invention, to determine whether or not it would prove what those skilled in the art *did* know as against what highly paid *experts* said they *would know*.

9. The point made by the plaintiff respondent below, and on appeal to the Court of Appeals, was that the commercial history should have been considered, because it was not possible in view of the circumstances, to state that lack of invention was free from doubt. If the commercial history had been considered, it would have been completely definite that far from the change to inexpensiveness and simplicity being obvious, the art had gone on for years, ad-

hering to principles in their multi-toothed small motors which required various appurtenances to their structures, but as soon as the O'Leary motor was brought to their attention, shifted to its construction. But O'Leary was poor. He and his sons faced by the Depression were deprived of any chance against the huge aggregation of capital which had concluded to pass them by. The O'Learys did not succeed financially, but the rest of the art did. We maintained below that under such circumstances, it could not be true that the extreme simplification of electric motors brought into the art by O'Leary was nothing but mechanical skill.

10. The Court of Appeals in its decision indicates clearly that the authorities in the past on the subject of when the simplification of a device is inventive, are not any longer applicable. Furthermore, in considering the problem of whether what O'Leary did was simply to remove devices from prior motors with the result of eliminating their function, both Courts below considered that it was proven that this was all that O'Leary did, because when the prior motors were in fact stripped they would still operate, but without operative features that they had had prior to the removal. This was obviously illogical since the motors with the former structural complexity were stated in the patents which disclosed them to operate on theories which were not followed by the O'Leary motor. The so-called tests simply proved that O'Leary was correct in his patent, *not* that the prior art *knew* that this would be true, which is the key question.

11. It was urged that in connection with an invention which consists in simplifying prior devices, it was bound to be true that the competitive industrial art was interested in finding ways of accomplishing this. Hence an effort over the years to simplify small motors and still get sufficient power in them would be presumed. To fail to consider what

the art had actually done when the O'Leary invention was brought to their attention thus neglects, under the particular circumstances, the prime essential fact upon which inventiveness as against non-inventiveness can be determined.

12. In the preparation for filing of these present suits, there were collected the non-self-starting clocks which could be found and the ones selected for suit were the principal makers of such clocks. The money obtained for these suits from personal friends has been spent and they do not feel warranted in spending any more. In connection with this petition for certiorari, the plaintiffs were able to save up \$400.00 which they have paid to counsel to cover preliminary printing and filing charges and counsel have agreed that they will proceed through petition for certiorari giving time to the plaintiffs to pay up the attorney fees. What this means is that it is utterly out of the question for plaintiffs to file any other suits against users of the O'Leary invention in non-self-starting synchronous motors. Thus this petition for certiorari is the only possible route whereby the plaintiffs may present their last chance at a consideration of their patent. An affidavit to the essential facts is herewith presented (It is printed in the Appendix herewith).

QUESTIONS PRESENTED

1. The principle, in a case where the invention is one of patentable novelty by virtue of simplicity, and the Patent Office Appellate tribunal has held that the simplicity was in fact inventive, that there is still no necessity of considering the historical results of the impact of the invention on the existing art, is wrong and should be correctly concluded by this Court, because there must be a reasonable doubt under such circumstances as to patentable novelty.
2. Where an inventor takes the standard practice in an industry which is old and well established and radically

simplifies the existing structures, and the industry changes over to the simplified form after direct approach by the patentee, this is not a matter of "commercial success" but is instead a fact which must be considered in determining whether or not the art knew that the indicated simplification was possible; and the applicable decisions which state that commercial success will not change the conclusion on the question of patentable invention unless doubtful, do not apply. It is not believed that this question has been heretofore presented to this Court, and that this Court should pass upon the same.

3. Where an inventor first discovers that an effective electric motor can be made with only two poles divided up into teeth, with no windings on the poles of the magnet and no windings on the poles of a toothed rotary member, and this requires a species of electrical behavior not theretofore put into play in electric motors, it is no answer to the contention of inventive novelty to show that prior motors could be stripped of pole windings on the stator and pole windings on the rotor and thereby made into an approximation of the patented motor. No conclusion by the Court of Appeals which embraces such a proposition as determinative of inventive novelty, should be permitted to stand.

4. While it is recognized as a rule of this Court that it will not accept a case where a determinative fact has been found alike both by the District Court and the Court of Appeals (in this case that only mechanical skill was involved as distinguished from inventive novelty), yet where this determinative fact is a deduction drawn from facts which are also found and which are not disputed or are set forth in printed documents and there was an admitted failure to consider an important fact having direct bearing on the issue (viz., the behavior of the art as indicating what they knew and did not know to be possible), the

Supreme Court is warranted in reviewing the facts in order to determine whether or not the said conclusion of the Courts below would be considered as decisive, and either sending the case back for such consideration or reaching its own conclusion, based thereon.

REASONS FOR GRANTING THE WRIT

1. Certiorari to the Supreme Court is the only route within the means of the Petitioners (plaintiffs below) to obtain an adjudication favorable to their patent, for the reason that the principal infringers in the clock field were sued in the present litigations, and there are no funds available to bring any further suits, particularly with the requirements for experts and technical testimony which the records of the present suits will require in order to avoid the weight of the present decisions against the patent. *Schriber Schroth Company v. The Cleveland Trust Co.*, 305 U. S. 47.

2. The matters involved here are of great public interest because this is a period where expansion of our economy is essential, and the devotion of effort toward inventions is dampened in our people by each decision which departs further from their intuitive beliefs as to what is an invention, and because the questions presented as set forth above deal with a subject which has not been studied by this Court since *Lawther v. Hamilton*, 124 U. S. 1, which in reasoning and application is in effect overruled by the Court of Appeals.

LUCY B. O'LEARY and
THE ROTOR CLOCK COMPANY.
By MARSTON ALLEN,
Attorney for Petitioners.

CERTIFICATE

This petition is in my judgment well founded, and is not interposed for purpose of delay.

MARSTON ALLEN,
Attorney for Petitioners.

BRIEF IN SUPPORT OF PETITION FOR CERTIORARI

OPINIONS OF THE COURTS BELOW

The District Court opinion appears in 53 Fed. Supp. 288.

The opinion of the Court of Appeals appears in 150 Fed. (2d) 656, and at the conclusion of the transcript furnished herewith.

JURISDICTION

The statute under which jurisdiction is invoked is 240 (2) of the Judicial Code, 28 U. S. C. A. 347, as amended by the Act of February 13, 1925.

SPECIFICATION OF ERRORS

If the petition for certiorari is granted, the errors that petitioners will urge as residing in the judgment of the Circuit Court of Appeals are as follows:

1. In failing to consider the historical impact of the invention on the existing art in appraising inventive novelty as against mechanical skill, when holding contrary to the decision of the appellate tribunal of the United States Patent Office on this point.
2. In holding that the express statements in the patents of the prior art with regard to the basic purposes of the described inventions, should be disregarded because they were incorrect or incomplete, when appraising what was

known by the art and what was not; and in accepting as conclusive of what was and what was not known, the fact that the devices of the prior art could be stripped of parts and still operate.

3. In relying on the testimony of experts as to what the art would know, and giving no regard to what the art had in fact done as the result of the patented invention.

4. In failing to hold that the patent in suit was valid on the authority of *Lawther v. Hamilton*, 124 U. S. 1 and *Dunn Mfg. Co. v. Standard Computing Scale Co.*, 163 F. 521.

STATEMENT

(The drawings from the prior art referred to below are reproduced at the appendix at the back of this brief.)

The LaCour patent, Fig. 3 (Appen.), shows the original toothed disk single magnet pole motor. Fig. 3 of Hammond patent (Appen.) shows a two pole toothed disk motor which was in use when the patent in suit was brought to the attention of the defendant, Hammond Clock Co. This was as far as the art could go.

Efforts to supply a toothed disk motor with a *series of magnet teeth* instead of one or two, thus to develop power and stability, resulted initially in Coerper patent, Fig. 1 (Appen.), which employed two complete magnets arranged with adjacent poles of opposite polarity, presenting a series of poles to the toothed disk. The Coerper patent said that if "the changes of polarity in the magnetic field follow each other in such quick succession," then the magnetism induced in the armature remains active. If this be true, and it is the basis for the Coerper structure, it was necessary for each tooth on the rotary disk to keep the same induced magnetism at all times, and adjacent magnet teeth would have to be of different polarity one from the other, *a condition not found in the patented motor*. To attain its

simplicity, adjacent pole teeth must have the same polarity. This would not work if the teeth on the rotary disk held their magnetism.

Another effort to supply a series of magnet poles with a toothed disk rotor is Thomson patent (see Fig. 4, Appen.). This motor has two opposite poles (marked S and N), formed into teeth, but the teeth are spaced twice the spacing of the teeth on the rotating disk, and the teeth on the rotating disk each have a winding about them, and this winding is supplied with current by means of conductors A and B, and brushes on the axle of the disk, thus controlling the polarity of the teeth of the disk. The patent in suit has no tooth windings and no brushes, etc.

The Holtz patent, Fig. 2 (Appen.), shows a rotor with wide teeth having windings between them called a squirrel cage. It has two poles for the magnet, one-half of each pole being surrounded with a ring or winding marked 11, and 12. This patent states that the rings 11 and 12 "change the pulsating flux of the field into a so-called shifting or substantially rotating magnetic field, in the cylindrical space between the opposite poles of the field magnet." The patent in suit has a *reciprocating* field.

If one takes the Coerper motor, removes one of the magnets completely, widens the poles on the other magnet and cuts teeth in them corresponding to the teeth of the rotating disk, he would have a motor operating like the O'Leary motor. But the patent teaches this would not work. If in the Thomson motor the windings were removed from the teeth of the rotating disk, and the brushes and connections for sending current through these windings were removed, and the teeth on the magnet doubled in number, an O'Leary motor would be produced. If the rings or windings 11 and 12 were removed from the Holtz motor and *the spaces occupied by these windings still left in the poles*, and the squirrel cage winding removed from

the rotating disk, then a motor would be produced which operates like the O'Leary motor of the patent in suit. Yet the O'Leary motor operates on a different theory from any of these (Decision of the Court of Appeals).

The O'Leary patent structure, Fig. 1 (Appen.), may be described by claim 7 in the patent:

"7. A bi-polar synchronous motor of the core type having an armature provided with a plurality of unwound radial pole arms terminating in pole faces, a field core having a pair of poles each provided with a plurality of inwardly extending projections terminating in pole faces, the centers of the pole faces on the armature having the same angular spacing about the axis of rotation as the angular spacing of the centers of the pole faces of the field magnet about the same axis, and a winding linking the core for producing an alternating magnetic flux throughout the structure, whereby the lines of magnetic force acting on the armature lie in substantially the plane of rotation of the armature when said winding is energized from an alternating source of current."

It will be noted that this leaves off all the various features of the previous motors using only a horse shoe shaped piece of iron with a coil around its leg and a series of teeth on its prongs. Within the prongs is a toothed disk with like teeth, no windings on the teeth of either the magnet or the disk. In such a motor the flow of magnetism is directly across the disk instead of moving through its periphery from one magnet fold to the next. (Opinion C. C. A., p. 4.) No previous motor had such an arrangement, but always there were modifications by one means or another to avoid or mitigate such a condition. Did the art know that a two pole multi-toothed magnet would operate without tooth windings of any kind? That is the primary question, not answered by demonstrating the operation to be effective.

In the Patent Office with the other patents referred to by the Court of Appeals in its opinion, except Holtz before them, the Board of Appeals said:

"While the structure and principle of operation of applicant's machine after being disclosed appears obviously quite simple, it is our opinion that the extreme simplicity indicates invention over the relatively complex structures disclosed by the references. We believe invention is involved in this radical simplification of the device in view of the differences in structure involved in accomplishing it. Neither the structure nor the exact principle of operation of applicant's device is anticipated by any of the citations and it is our opinion that invention is invoiced therein."

There is no question from the opinion of the Court of Appeals but that the "exact principle of operation" of the O'Leary device was new, over any previous motor. It obviously involved a major departure from prior practices toward simplicity in efficient motors having a series of magnet teeth rather than just one or two.

The record shows that the true defendants, Westclox, Ingraham and Hammond, each had the O'Leary motor brought to their attention, each negotiated with the plaintiffs, each changed to the O'Leary style of motor (R. 192, 188, 179). No substantial offer was made to O'Leary, and indeed, Westclox made a nominal offer for license and stated to O'Leary that "they would beat me" if I tried to take it into court, and "I could not afford to fight them," and that "they were a big outfit" (see Rec. p. 191).

The Depression was on. Just preceding the Depression O'Leary obtained a licensee for phonograph motors on a substantial annual royalty (R. 176). This licensee failed.

The Depression ended the efforts of O'Leary Sr. to get his invention adopted. He ran out of money (R. 185), at

a time when he was almost toolled up for production of clocks. He became ill and died. His son, Allan O'Leary, who was with him, at last got a job driving a trolley bus at Dayton, Ohio, the home of the O'Learys, at \$25.00 a week. Allan lived at home and was the sole support of his mother. The other son, William O'Leary, at the beginning of the Depression was a teacher, left his assistantship at Cornell University and got a position as a chemist petrographer at \$200.00 a month. He was married, and was in no position to finance any patent suit. By the time that Allan O'Leary got financial assistance from friends in Dayton to bring the present suits (R. 187) he had become an instructor in engineering, drawing and mathematics at Dayton University, and had fully notified the art of his father's patent, calling their attention to infringement, and he it was who had carried on the negotiations, among others, with Westclox, Ingraham and Hammond. He had conferred with counsel for the Gilbert Clock Co., the fourth of the defending Companies in this litigation, but found that the attorneys represented a coalition of New England clock manufacturers, including Waterbury and Union, who were prepared to fight him as to the patent (R. 191). By this time also all non-self-starting electric clocks and non-self-starting phonograph motors were of the type responding to the O'Leary patent, of which we have quoted claim 7.

ARGUMENT

On the above facts and the facts stated in the petition, it is maintained that a determination of whether or not the persons skilled in the art would know that a multi-toothed magnet such as O'Leary used, would really work to make an efficient motor without any tooth windings whatever either on the magnet or rotary portion of the

motor, cannot be made without taking into consideration what those skilled in the art did before O'Leary came along and what they did after his invention was called to their attention. The effect of the impact of the invention on the art under the circumstances of this case is not a matter of "commercial success." The O'Learys certainly made no money.

We consider that where an invention consists of development toward simplicity and cheapness, it must have been an objective of the industry involved, and the fact that all the industry shifted to the O'Leary motor, or started anew to build up a business on the basis of the O'Leary motor, is pertinent and indeed almost determinative of the question here of whether the simplification was or was not mere mechanical skill.

It was easy for the experts Spencer and Fox, for the combined defendants below, to say, after the event, that there was nothing to the O'Leary motor but the omission of features of previous motors together with omission of the valuable adjuncts which they contributed to the operation thereof. But if the truth was that, faced with competition with each other, those in the business of making small simple motors neither made nor advocated anything so simple as O'Leary made, and at once that O'Leary came to their attention, shifted to his simple construction, these opinions of experts employed by the defendants, should be given almost no credence whatever.

We must add one other fact, viz., that these experts based their opinion and were able to convince the Courts below, by demonstrations which violated the teachings of the patents on the very motors used in the demonstrations.

We realize as stated in the opinion of the Court of Appeals (page 18) that this Court has taken the position that it will not disturb concurrent findings of the District Court and the Circuit Court of Appeals where there is

evidence to support them. In this case frankly both lower Courts found that only mechanical skill was involved in the novelty of the O'Leary motor. As stated in the petition herewith our position is that this conclusion was made without considering essential facts and that on the real facts as distinguished from conclusions drawn therefrom there is no sound and logical basis for a holding of mere mechanical skill.

Both Courts in this case adopted as the controlling authority the case of *The Cuno Engineering Corp. v. Automatic Devices Corp.*, 314 U. S. 84, and were reluctant to find a shift in emphasis in the later decision of this Court in *Goodyear Tire & Rubber Co., Inc. v. Ray-O-Vac Co.*, 321 U. S. 275. We believe that this Court in the *Sinclair & Co. v. Interchemical Corp.* decision, published May 21, 1945, has taken another step in approaching that appraisal of invention which is intuitive in the American mind when it said:

"This test is often difficult to apply, but its purpose is clear. Under this test, some substantial innovation is necessary, an innovation for which society is truly indebted to the efforts of the patentee. Whether or not those efforts are of a special kind does not concern us."

It is true that this Court in *Dow Chemical Co. v. Halliburton Oil Well Cementing Co.*, decided March 5, 1945, ... U. S. ..., refused to consider the contention that the Grebe-Sanford process had filled a long-felt want, but as the discussion of the Court at the conclusion of the opinion shows, the inventors had there simply "drawn upon a great fund of public knowledge . . . the first time the problem was considered." Such a situation is extremely remote from the present one.

If this case is taken by the Supreme Court, we have every confidence that the O'Learys will be able to obtain funds to proceed, and that we will be able to convince the Court that both the District Court and the Circuit Court of Appeals were quite unjustified by the record in the conclusion that no more than mechanical skill was involved in the invention of the patent in suit.

Respectfully submitted,

MARSTON ALLEN,
Attorney for Petitioners.





APPENDIX

IN THE
SUPREME COURT OF THE UNITED STATES
OCTOBER TERM No.———

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AFFIDAVIT

STATE OF OHIO, COUNTY OF MONTGOMERY, SS:

ALLAN O'LEARY being first duly sworn, deposes and
says as follows:

I am the son of William J. O'Leary, patentee of the
patent in suit in the above entitled causes; and I was instru-
mental in obtaining money for preparation, trial and
appeal of the above entitled causes, for my mother and a

corporation without other assets (The Rotor Clock Co.) both of Dayton, Ohio. I had no security except an interest in the proceeds in case of a successful prosecution. After the decision of the Court of Appeals in said causes, the friend who advanced the moneys required concluded that he could go no further therewith, and after consulting with my brother William J. F. O'Leary, it was decided by the two of us to go ahead with a petition for certiorari in the Supreme Court provided counsel would be willing to give us time to pay their fees. We have been able to provide the sum of \$400.00 for printing and Supreme Court fees and will have to save out of our incomes to pay any further amounts.

Up until this summer, I was employed as a teacher at Dayton University and my brother William was employed as a research worker at Niagara Falls, New York. I have responsibility for the livelihood of my mother and a second brother who is ill; and William J. F. O'Leary has responsibility for his own family (being married and I am not). This summer, hoping to increase my income, I have started out as an industrial consultant and commercial draftsman.

Neither my brother nor myself could by any possibility provide the necessary funds for filing a suit in another circuit to have our patent validity determined.

Prior to bringing the present suit, which was brought at Dayton, Ohio, in order to save money, I examined all non-self-starting electrical clocks on the market and also all non-self-starting phonograph motors on the market so far as I could, and believe that I fairly covered the field. All of them used O'Leary type motors. I selected the four largest makers of electric clocks of the non-self-starting type, and then in Dayton, Ohio, purchased from several stores, clocks made by the four largest makers. There are other makes of non-self-starting clocks but in my view they would not represent as much as ten percent of the market.

In the phonograph field the big majority of devices using non-self-starting electric motors, are made by Hammond at Chicago, who is the largest in this field (already acting as a defendant in this action), and Radio Corporation of America.

It would be entirely out of the question for my brother and me to finance a suit against The Radio Corporation particularly as we are advised by our counsel that we would have to provide experts of high standing in the electrical field and perform research experiments to develop our points in view of the record built up against us in the present suits.

I do not know whether or not the small makers of electric clocks are still in the market in their line, nor the extent to which war work has cut down their activities, nor do I know their plans for the future.

I am convinced that the only possible avenue whereby we can obtain a favorable conclusion as to our patent is by certiorari to the Supreme Court, and am confident that if the Supreme Court accepts our petition, my brother and I will be able to borrow money sufficient to pay the expense of printing and counsel for full presentation.

It is my opinion that except for the Radio Corporation, there is no substantial infringer from whom recovery could be had in sufficient amount to warrant the expense of a new suit even if we could obtain the moneys for preparing such a suit.

ALLAN O'LEARY.

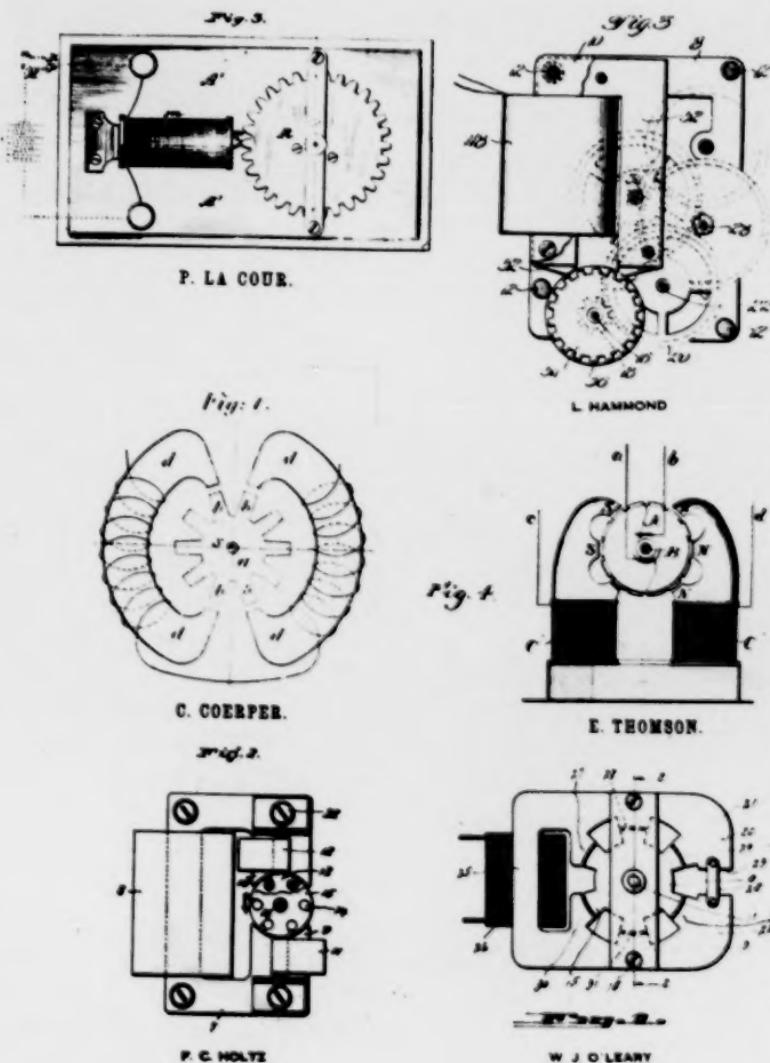
Sworn to before me and subscribed in my presence this 6th day of October, 1945.

EVA IRENE BEMBO,
Notary Public.

Notary Public in and for Montgomery County, Ohio.

My commission expires July 10, 1947.







INDEX.

	PAGE
Judgments or Decrees of the Courts Below.....	2
Re Petitioners' Statements.....	3
Argument	4
No Warrant for Writ of Certiorari.....	4
Petitioners' Specification of Errors.....	5
Re Petitioners' Reasons for Granting the Writ..	11
Conclusion	12

TABLE OF CASES.

Anderson v. Abbott, 321 U. S. 349.....	5
Atlantic Works v. Brady, 107 U. S. 192, 200.....	10
Dow Co. v. Halliburton Co., 324 U. S. 320.....	8
Dunbar v. Myers, 94 U. S. 187, 195.....	9, 10
Dunn Mfg. Co. v. Standard Computing Scale Co., 163 F. 521	9, 10
General Pictures Co. v. Western Electric Co., 304 U. S. 175, 178.....	5
Goodyear Tire & Rubber Co., Inc. v. Ray-O-Vac Co., 321 U. S. 275, 279.....	4
Lawther v. Hamilton, 124 U. S. 1.....	9, 10, 12
Richards v. Chase Elevator Co., 159 U. S. 477, 486, 487	10
Schriber Schroth Co. v. The Cleveland Trust Co., 305 U. S. 47.....	11
Sinclair & Carroll Co., Inc. v. Interchemical Corp., — U. S. 65 U. S. P. Q. 297.....	4
Thomson Spot Welder Co. v. Ford Motor Co., 265 U. S. 445, 446.....	4
United States v. Johnson, 268 U. S. 220, 227.....	3
Williams Mfg. Co. v. United Shoe Machinery Corp., 316 U. S. 364, 367.....	4



IN THE
Supreme Court of the United States

OCTOBER TERM, 1945.

Case 546.

C. C. A. Appeal No. 9875.

LUCY B. O'LEARY AND THE ROTOR CLOCK
COMPANY,

Petitioners,

vs.

THE LIGGETT DRUG COMPANY,

Respondent.

Case 547.

C. C. A. Appeal No. 9876.

LUCY B. O'LEARY AND THE ROTOR CLOCK
COMPANY,

Petitioners,

vs.

SEARS, ROEBUCK & COMPANY,

Respondent.

**BRIEF OPPOSING PETITION FOR WRIT OF
CERTIORARI.**

*To the Honorable Chief Justice of the United States and
the Associate Justices of the Supreme Court of the
United States:*

This brief is limited to Case 546, Appeal No. 9875, *Lucy B. O'Leary and The Rotor Clock Company, Petitioners v. The Liggett Drug Company, Respondent*, and to Case 547,

Appeal No. 9876, *Lucy B. O'Leary and The Rotor Clock Company, Petitioners v. Sears, Roebuck & Company, Respondent*, these two appeals having been heard and argued together before the Circuit Court of Appeals for the Sixth Circuit.

Appeal No. 9903, *Lucy B. O'Leary and The Rotor Clock Company, Petitioners v. The Johnston-Shelton Co., a corporation of Ohio, d. b. a. The Home Store, Respondents*, was heard and argued separately, the argument having been presented by other counsel. The petition also includes this appeal, the case number in this Court being 548.

JUDGMENTS OR DECREES OF THE COURTS BELOW.

The decision of the District Court was reported in 53 Fed. Supp. 288.

In both Appeals Nos. 9875 and 9876 the decree was entered July 23, 1945. A single opinion was delivered by the Circuit Court of Appeals for the Sixth Circuit in these two cases and in Appeal No. 9903, this opinion having been reported in 150 Fed. (2d) 656. A copy of the decision of the Court of Appeals for the Sixth Circuit appears in Volume III of the Transcript of Record, starting page 2 thereof.

The Court of Appeals affirmed the decrees of the District Court.

RE PETITIONERS' STATEMENTS.

Respondents submit that petitioners' Statements starting on pages 2 and 11 of their Petition and accompanying Brief contain several unwarranted and incorrect allegations. They pertain to controverted evidence and controverted specific facts. It is Respondents' understanding that this Court does not grant certiorari to review evidence and discuss specific facts (*United States v. Johnson*, 268 U. S. 220, 227), and accordingly these unwarranted and incorrect allegations will not be discussed in detail in this brief.

ARGUMENT.

NO WARRANT FOR WRIT OF CERTIORARI.

First of all it is pointed out that the petition and the brief in support thereof do not present any reason falling within the suggestions in Rule 38 (5) of this Court.

As appears from page 2 of the petition, the District Court and the Court of Appeals made findings which are in agreement to the effect that the structure disclosed in the patent exhibited only mechanical skill over the art. It is believed to be the uniform practice of this Court to hold that the question of whether an improvement requires mere mechanical skill or the exercise of the faculty of invention is a question of fact. *Thomson Spot Welder Co. v. Ford Motor Co.*, 265 U. S. 445, 446; *Williams Mfg. Co. v. United Shoe Machinery Corp.*, 316 U. S. 364, 367.

Both the District Court and the Court of Appeals held the claims in suit to be invalid.

It appears to be the definite position of this Court that it must indeed be a strong case in which this Court will set aside the concurrent findings of the District Court and the Court of Appeals. *Goodyear Tire & Rubber Co., Inc. v. Ray-O-Vac Company*, 321 U. S. 275, 279; *Williams Manufacturing Co. v. United Shoe Machinery Corp.*, 316 U. S. 364, 367; *Sinclair & Carroll Company, Inc. v. Interchemical Corp.*, U. S., 65 U.S.P.Q. 297.

It is believed to be the practice of this Court not to bring up questions of fact as to which there were concurrent findings below, or to review questions of anticipation and invention as to which there is no conflict between decisions

of the Circuit Courts of Appeals. *General Pictures Co. v. Western Electric Co.*, 304 U. S. 175, 178. It is also believed to be the practice of this Court that this Court will accept the findings of the District Court concurred in by the Circuit Court of Appeals where no clear error was shown. *Anderson v. Abbott*, 321 U. S. 349. In this connection attention is invited to the words of the Circuit Court of Appeals, Record Volume III, page 18, reading:

“The findings of the district court with respect to Thomson Patent 545,554, and the statement that no more than mechanical skill of a person skilled in the art would be required for the conversion of the devices described in the Thomson and the Coerper patents into the O’Leary apparatus, particularly in view of the teaching in the British patent to Atkinson, are supported by substantial evidence and could not be appropriately termed clearly erroneous.”

PETITIONERS’ SPECIFICATION OF ERRORS.

Alleged error No. 1 reads:

“In failing to consider the historical impact of the invention on the existing art in appraising inventive novelty as against mechanical skill, when holding contrary to the decision of the appellate tribunal of the United States Patent Office on this point.”

The application resulting in the O’Leary patent in suit had rough sledding in the United States Patent Office, the Primary Examiner rejecting the important claims as not involving invention over the prior art. The Board of Appeals in the Patent Office reversed the decision of the Examiner (R. Vol. III, p. 2).

In the instant case, the District Judge had the benefit of the testimony of expert witnesses who testified concerning

prior patents including the United States patents to Holtz No. 1,892,553 and Rowe No. 1,919,395 and the British patents to Crompton No. 115,475 and Atkinson No. 7895, which were not before the Board of Appeals in the Patent Office. Moreover, the District Judge had the benefit of actual demonstrations of motors built according to the patent in suit, as well as the motors of the prior art. The Circuit Court of Appeals said in its decision (R. Vol. III, p. 14) with respect to the Holtz and Rowe patents:

"It is obvious from the discussion in the decision that the district court was much impressed with the demonstration at the trial of a motor precisely like the disclosure of the Holtz patent, which operated perfectly as a self-starting synchronous motor; and that a modified motor precisely like the disclosure of the Holtz patent, except that the shading coils were omitted from the field poles and the squirrel-cage winding was omitted from the motor, operated perfectly as a synchronous motor after it had been started in operation manually. The court stated that it had been demonstrated that the rotor of the modified motor had no residual magnetism, and that its operation was the same as the O'Leary motor, which also must be started manually. The assertion was made by the district court that there was substantial agreement that the Rowe patent is similar in construction and in mode of operation to the Holtz patent."

With respect to the Coerper patent, Petitioners erroneously allege (bottom of page 4 and top of page 5 of their petition) that said patent states in effect that it was not possible to do what O'Leary did. However, the Court of Appeals stated (R. Vol. III, p. 15):

"From the testimony of the expert Fox and his demonstration that the Coerper motor operated in the same manner with one field winding reversed, it would seem that no invention would inhere in the reversal by O'Leary of the connections to one of Coerper's field coils. And so, both from autoptic preference and

from the expert testimony, it cannot be said that the findings of the district judge as to the Coerper anticipation were clearly erroneous."

With respect to the decision of the Board of Appeals in the Patent Office, the Circuit Court of Appeals stated (R. Vol. III, p. 16) :

"In rejecting O'Leary's claims, the primary examiner in the patent office stated that the modification of the motor in the Coerper patent involved only a problem of design and was not such a forward step in the art as to amount to invention. But the board of appeals in the patent office stated that no two adjacent poles of the same polarity on any particular phase of the current was found in Coerper as is true in O'Leary. There is some merit in the contention of the appellees that the Coerper motor was misunderstood by the patent board of appeals, as a result of erroneous representation; and that, therefore, less weight attaches to the finding of the board in that particular than would ordinarily be accorded. However, this controversy is considered of insufficient importance to require further comment."

In view of the fact that the District Judge had before him pertinent patents which were not before the Board of Appeals in the Patent Office, and had the further benefit of expert testimony and the opportunity to observe the demonstrations in open court which showed the substantial identity of the prior art with the patent in suit as regards both the structure and underlying principles, and further in view of the provision of Rule 52(a) of the Rules of Civil Procedure for the District Courts of the United States, reading:

"Findings of fact shall not be set aside unless clearly erroneous, and due regard shall be given to the opportunity of the trial court to judge of the credibility of the witnesses.",

it is respectfully submitted that there is no substance at all to petitioners' allegation of error that the courts below failed "to consider the historical impact of the invention on the existing art."

Re alleged error No. 2, which reads:

"In holding that the express statements in the patents of the prior art with regard to the basic purposes of the described inventions, should be disregarded because they were incorrect or incomplete, when appraising what was *known* by the art and what was not; and in accepting as conclusive of what was and what was not known, the fact that the devices of the prior art could be stripped of parts and still operate."

In support of this allegation of error petitioners make the erroneous statement (pages 4 and 5 of their petition):

" * * * it was said in effect in the other of the two patents (Coerper) that because the rotating disk *retained* its magnetism, it was not possible to do what O'Leary did (See Appended Brief for References)."

There seems to be absolutely no basis for any such statement, and the District Court and the Court of Appeals made holdings contrary to this allegation by petitioners. The Coerper motor built according to the Coerper patent was operated in open court before the District Judge, and the Court of Appeals stated (R. Vol. III, pp. 15, 16):

"And so, both from autoptic proference and from the expert testimony, it cannot be said that the findings of the district judge as to the Coerper anticipation were clearly erroneous."

This Court discussed a somewhat similar situation in *Dow Co. v. Halliburton Co.*, 324 U. S. 320, Mr. Justice Murphy stating (page 328):

"The fact that prior to 1932 no one had apparently thought to use an inhibitor while acidizing an oil well to increase production cannot inject into the Grebe-Sanford process the attributes of an invention. Espe-

cially is this so since there is no evidence of any one trying unsuccessfully to inhibit hydrochloric acid for such purposes. He who is merely the first to utilize the existing fund of public knowledge for new and obvious purposes must be satisfied with whatever fame, personal satisfaction or commercial success he may be able to achieve. Patent monopolies, with all their significant economic and social consequences, are not reserved for those who contribute so insubstantially to that fund of public knowledge."

In other words, even if the patentee O'Leary had produced something different from the motors of the prior art, he merely utilized the existing fund of public knowledge for an obvious purpose, and did nothing to warrant any patent monopoly.

The patent in suit claims novelty for a plurality of polar salients which result in allowing more magnetic flux to pass, in turn resulting in more power, which really is a mere duplication, and this does not amount to invention. (*Dunbar v. Myers*, 94 U. S. 187, 195.) Moreover, the duplication disclosed in the O'Leary patent in suit is also shown in the prior art, as held by both the District Court and the Court of Appeals decisions.

Re alleged error No. 3, which reads:

"In relying on the testimony of experts as to what the art would know, and giving no regard to what the art had in fact done as the result of the patented invention."

It is believed that this alleged error has been sufficiently discussed in connection with alleged errors Nos. 1 and 2.

Re alleged error No. 4, which reads:

"In failing to hold that the patent in suit was valid on the authority of *Lawther v. Hamilton*, 124 U. S. 1 and *Dunn Mfg. Co. v. Standard Computing Scale Co.*, 163 F. 521."

Respondents see no point to this allegation of error. In the *Lawther v. Hamilton* case, decided by this Court in 1887, the question before the Court was whether or not a certain patent could be sustained as a patent for a process. In that case this Court reversed the Court below, holding that the patent did cover a process, and that the patentee had described it with sufficient definiteness so that the oil manufacturer would understand him. There seems to be no clear analogy to the instant case.

The *Dunn Mfg. Co. v. Standard Computing Scale Co.*, case was discussed by the Court of Appeals below (R. Vol. III, pp. 8, 9), the Court stating (R. Vol. III, p. 9):

“We doubt if the elimination of certain parts of prior machines and the simplification of their mechanism in the Dunn computing cheese cutter, held in that case to disclose invention as producing a better and more practicable and saleable machine, could now be held to constitute invention.”

The Court cited a number of decisions in the Sixth and other Circuits, and referred to an earlier case decided by this Court, *Dunbar v. Myers*, 94 U. S. 187, 199, which declared it to be settled law that the mere carrying forward of an original patented conception, involving only change of form, proportions, or degree, is not such invention as will sustain a patent. The Court of Appeals also referred (R. Vol. III, p. 10) for authority to decisions of this Court in *Atlantic Works v. Brady*, 107 U. S. 192, 200, and *Richards v. Chase Elevator Co.*, 159 U. S. 477, 486, 487.

It would appear, therefore, that none of the allegations of errors in the specification of errors (pages 10 and 11 of the petition) has any weight.

RE PETITIONERS' REASONS FOR GRANTING THE WRIT.

On page 9 of their petition, petitioners allege that certiorari should be granted because it is the only route within the means of the petitioners to obtain an adjudication favorable to their patent, for the reason that the principal infringers in the clock field were sued in the present litigations, and there are no funds available to bring any further suits. It is not believed that there is any force to this argument. According to the affidavit of Allan O'Leary, pages 19 to 21 of the Appendix accompanying the petition, there are other makes of non-self-starting clocks outside of those purchased for the purpose of these suits, and the phonograph field has not been touched at all.

Petitioners cite the decision of this Court in *Schriber Schroth Co. v. The Cleveland Trust Co.*, 305 U. S. 47. In that case certain patents had been held invalid by the District Court for want of invention, which decision was reversed as to certain of said patents by the Court of Appeals of the Sixth Circuit. This Court granted certiorari (304 U. S. 587) on a petition showing that notwithstanding the doubtful validity of the patents, litigation elsewhere with a resulting conflict of decision was improbable because of the concentration of the automobile industry in the Sixth Circuit. No analogous state of facts exists in the instant case, where non-self-starting clocks and non-self-starting phonograph motors are manufactured and sold in many places outside of the Sixth Circuit. And, the decisions of the District Court and the Court of Appeals in the instant case hold the claims of the O'Leary patent invalid and do not give a standing to said patent to provide a threat to industry.

As a second reason advanced by petitioners why Your Honors should grant certiorari, petitioners allege (page 9 of their petition) that "The matters involved here are of great public interest because this is a period where expansion of our economy is essential," and because the questions presented in the petition deal with a subject which has not been studied by this Court since *Lawther v. Hamilton*, 124 U. S. 1. Petitioners allege that the reasoning and application of the *Lawther v. Hamilton* case are in effect overruled by the Court of Appeals. As discussed above in connection with the *Lawther v. Hamilton* decision, the facts in that case were not at all analogous to the present case, and there is no suggestion in the decision of the Court of Appeals in the instant case that it was in any way overruling the *Lawther v. Hamilton* case.

CONCLUSION.

The petition and accompanying brief fail utterly to present any sound reason for granting the writ of certiorari. The concurring decisions of the District Court and the Court of Appeals were based upon findings of fact (relating both to patents not considered by the Patent Office and to demonstrations and expert testimony not available to the Patent Office) clearly showing lack of invention. It is submitted that the petition for certiorari should be denied.

Respectfully submitted,

HENRY M. HUXLEY,
Attorney for Respondents.

RALPH MUNDEN,
Of Counsel.

November 14, 1945.





(26)

- Supreme Court, U.

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CHARLES ELMORE CROPL
CLERK

In the Supreme Court of the United States

OCTOBER TERM, 1945.

No. 548

C. C. A. Appeal No. 9903.

LUCY B. O'LEARY AND
THE ROTOR CLOCK COMPANY,

Petitioners,

v.

THE JOHNSTON-SHELTON CO.,
a corporation of Ohio, d.b.a.
THE HOME STORE,

Respondents.

**RESPONDENTS' BRIEF IN OPPOSITION TO THE
CERTIORARI PETITION OF LUCY B. O'LEARY
AND THE ROTOR CLOCK COMPANY IN CASE
NO. 9903.**

H. A. TOULMIN, JR.,

Counsel for Respondents.



SUBJECT INDEX.

Judgments or Decrees of the Courts Below.....	1
SECTION I:	
Substance of Reply to Certiorari Petition and Brief	1
SECTION II:	
Comment on Concurrent Findings of District Court and Circuit Court of Appeals.....	5
Comment on Issues of Mechanical Skill.....	6
Comment on Findings of Fact Concerning Invalidity	9
Comment on Courts not Bound by Decisions of Patent Office	10
Comment on Pecuniary Condition of Petitioner....	11
Comment on Issues of Commercial History.....	11
SECTION III:	
Conclusions	12

FEDERAL RULES OF CIVIL PROCEDURE.

Rule 52 (a), 28 U. S. C. A., foll. 723c.....	2, 5, 10
--	----------

TABLE OF CASES.

<i>Alabama Power Co. v. Ickes</i> , 58 S. Ct. 300, 302 U. S. 464, 82 L. Ed. 374.....	5
<i>Anderson v. Abbott</i> , 64 S. Ct. 531, 321 U. S. 349, 88 L. Ed.; reh. den. 64 S. Ct. 845.....	5
<i>Antonsen v. Hedrick</i> , 89 F. (2d) 149, 151.....	3
<i>Carrol-Thompson Co. v. Central Brass & Fixture Co.</i> , 22 F. (2d) 253, 254.....	12
<i>Gasifier Mfg. Co. v. General Motors Corp.</i> , 138 F. (2d) 197, 199	3
<i>Goodyear Tire & Rubber Co. v. Ray-O-Vac Co.</i> , 64 S. Ct. 593, 321 U. S. 275, 88 L. Ed. —	5

<i>Green v. Electric Vacuum Cleaner Co.</i> , 132 F. (2d) 312, 314	2
<i>Hazeltine Corp. v. Crosley Corp.</i> , 130 F. (2d) 344, 349	2
<i>Hobart Mfg. Co. v. Landers, Frary & Clark</i> , 25 F. Sup. 198, 203	11
<i>Lempco Products, Inc. v. The Timken-Detroit Axle Co.</i> , 110 F. (2d) 307, 310; cert. den. 61 S. Ct. 42, 311 U. S. 675.....	10-11
<i>Nordell et al. v. International Filter Co.</i> (C. C. A. 7) 119 F. (2d) 948, 953.....	11
<i>O'Leary v. Liggett Drug Co.</i> , 53 F. Supp. 288, 294, 150 F. (2d) 656, 666.....	3, 4, 5, 8, 10
<i>Otis Pressure Control v. Guiberson Corp.</i> , 108 F. (2d) 930, 932	3
<i>Ruth v. Climax Molybdenum</i> , 93 F. (2d) 699, 702.....	3
<i>Strong-Scott Mfg. Co. v. Weller</i> , 112 F. (2d) 389, 393..	2-3
<i>Thomson Spot Welder Co. v. Ford Motor Co.</i> , 44 S. Ct. 533; 265 U. S. 445, 446; 68 L. Ed. 1098.....	2, 6
<i>United States Gypsum Co. v. Consolidated Expanded Metal Co.</i> , 130 F. (2d) 888, 892.....	12
<i>Virginian Railway Co. v. System Federation No. 40</i> , 57 S. Ct. 592, 300 U. S. 515, 81 L. Ed. 789.....	5
<i>Webb v. Frisch</i> , 111 F. (2d) 887, 888.....	2
<i>Western Auto Supply Co. v. American-National Co.</i> (C. C. A. 6), 117 F. (2d) 711, 713.....	11
<i>Williams Mfg. Co. v. United Shoe Machinery Corp.</i> , 62 S. Ct. 1179, 1181; 316 U. S. 364, 367; 86 L. Ed. 1537	2, 5

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RESPONDENTS' BRIEF IN OPPOSITION TO THE CERTIORARI PETITION OF LUCY B. O'LEARY AND THE ROTOR CLOCK COMPANY IN CASE NO. 9903.

JUDGMENTS OR DECREES OF THE COURTS BELOW.

The decision of the District Court is unreported.

The decision of the Circuit Court of Appeals for the Sixth Circuit was reported in 150 Fed. (2d) 656 in a single opinion with Appeals Nos. 9875 and 9876. The opinion of the District Court is printed in the C. C. A. Record beginning at page 14.

SECTION I.

The substance of this Reply to this Certiorari Petition is:

(A) The concurrent findings of fact of the District Court and the Circuit Court of Appeals with "evidence

to support them" will not be disturbed by this Court. *Williams Manufacturing Company v. United Shoe Machinery Corporation*, 316 U. S. 364, 367, 62 Supreme Court 1179, 1181, 86 L. Ed. 1537. The record shows as found by the District Court after an extended trial and by the Court of Appeals after thorough hearings based upon a voluminous record that there was "abundant substantial evidence" to support the findings of the District Court and the Court of Appeals of the Sixth Circuit that the claims were invalid.

(B) Whether an improvement requires mere mechanical skill or the exercise of the faculty of invention is a question of fact. *Thomson Spot Welder Company v. Ford Motor Company*, 265 U. S. 445, 446; 44 S. Ct. 533; 68 L. Ed. 1098; *Williams Manufacturing Company v. United Shoe Machinery Corporation*, 316 U. S. 364, 367, 62 S. Ct. 1179, 86 L. Ed. 1537.

(C) Findings of invalidity based upon prior patents, demonstrations in open court at the District Court trial of devices made in accordance with those prior patents, testimony heard by the District Court with findings based upon such evidence, the fact that the prior patents are on their face anticipatory and the fact that the demonstration in open court of the operation of devices made under such prior patents was identical with the operation of devices made under the patent in suit are such findings that fall within the federal rule that "Findings of fact shall not be set aside unless clearly erroneous, and due regard shall be given to the opportunity of the trial court to judge of the credibility of the witnesses." Civil Procedure Rule 52(a) 28 U. S. C. A. foll. 723c. *Hazeltine Corporation v. Crosley Corporation*, Sixth Circuit, 130 Fed. (2d) 344, 349; *Green v. Electric Vacuum Cleaner Company*, Sixth Circuit, 132 Fed. (2d) 312, 314; *Webb v. Frisch*, Seventh Circuit, 111 Fed. (2d) 887, 888; *Strong-Scott Manu-*

facturing Company v. Weller, Eighth Circuit, 112 Fed. (2d) 389, 393; *Otis Pressure Control v. Guiberson Corporation*, Fifth Circuit, 108 Fed. (2d) 930, 932; *Antonsen v. Hedrick*, Ninth Circuit, 89 Fed. (2d) 149, 151; *Ruth v. Climax Molybdenum*, Tenth Circuit, 93 Fed. (2d) 699, 702; *Gasifier Manufacturing Company v. General Motors Corporation*, Eighth Circuit, 138 Fed. (2d) 197, 199.

(D) The District Court and Court of Appeals differed with the Board of Appeals of the Patent Office on the basis of a much more extended record and in an inter-parties proceeding. The proceeding before the Board of Appeals was Ex Parte. Additionally, the District Court and Court of Appeals in the instant case found that the prior art patents of Holtz, No. 1,892,553 and Rowe, No. 1,919,395 were not before the Board of Appeals and were fully anticipatory of the O'Leary patent in suit. These two patents were the principal prior patents upon which the District Court and the Circuit Court of Appeals found the O'Leary patent invalid, observing, neither of these patents were cited in the Patent Office. "The issuance of a patent creates no presumption of validity sufficient to overcome a pertinent prior art reference which has not been considered in the Patent Office." *O'Leary v. Liggett Drug Company*, 150 Fed. (2d) 656, 664.

(E) Respondent is not advised as to the poverty of the petitioner. The findings of fact concurred in by the District Court and Circuit Court of Appeals below and the questions of law here are not dependent upon the wealth or poverty of either party. This issue has no place in the instant action.

(F) The District Court and the Circuit Court of Appeals concur in their position, as based upon the facts in this record, that "commercial success alone will not vitalize an invalid patent * * *," *O'Leary v. Liggett Drug Co.*, 150 Fed. (2d) 656, 666. The alleged struggles

of O'Leary, the industrial history of his device and the question of his commercial success were fully considered by both courts, but were not considered to be determinative of the issues. *O'Leary v. Liggett Drug Company*, 53 Fed. Supp. 288, 294, 150 Fed. (2d) 656, 666.

SECTION II.

Brief comment on the foregoing propositions in opposition to the Petition for Certiorari.

Your respondent submits that there is no foundation in either fact or law for this petition.

There is no conflict of decision. There is no new issue of law. There is no matter of public interest. The principal defendants, manufacturers of non-self-starting synchronous clock motors, have been involved in the instant litigation according to Petitioners' own statements. But, the Sixth Circuit is not the only or major circuit in which such motors are sold. Thus the possibility of a conflict of decisions between Circuit Courts of Appeals can arise and until such time no public interest arises.

The respondent in this case as the respondents in the companion cases, case 546, appeal No. 9875, Lucy B. O'Leary and the Rotor Clock Company, Petitioners vs. The Liggett Drug Company, Respondent, and case 547, appeal No. 9876, Lucy B. O'Leary and the Rotor Clock Company, Petitioners vs. Sears, Roebuck & Company, Respondent, frankly admitted at the beginning of the trial in open court, and sought the benefit of the admission, that the manufacturers in question whose sales distributors had been sued for the convenience of O'Leary in his own community were defending the action and would be bound by the results of the decision of the several courts. Attention of the Court is directed to the fact that the place of action was that selected by O'Leary for his own convenience and at great inconvenience to the manufacturers in question who were not doing

business within the jurisdiction of the District Court in which the actions were instituted.

A.

CONCURRENT FINDINGS.

The Circuit Court of Appeals followed the familiar rules (Civil Procedure Rule 52 (a) 28 U. S. C. A., following section 723 (c)), that "Findings of fact should not be set aside unless clearly erroneous, and due regard shall be given to the opportunity of the trial court to judge of the credibility of the witnesses." This is particularly true where the trial court had the benefit of demonstrations of the apparatus built according to the prior patents and was able to make a finding of fact based upon the observations of the trial court.

The concurrent findings of courts in this case come within the rule set down by this Court in *Williams Manufacturing Company v. United Shoe Machinery Corporation*, 316 U. S. 364; 62 S. Ct. 1179, 1181; 86 L. Ed. 1537:

"In a patent infringement suit, concurrent findings of the two lower federal courts * * * are findings of fact which will not be disturbed by this Court where there is evidence to support them."

This ruling is further carried forward in the case of *Goodyear Tire & Rubber Co. v. Ray-O-Vac Co.*, 64 S. Ct. 593; 321 U. S. 275; *Anderson v. Abbott*, 64 S. Ct. 531; 321 U. S. 349, re-hearing denied 64 S. Ct. 845; *Alabama Power Co. v. Ickes*, 58 S. Ct. 300; 302 U. S. 464; *Virginian Railway Co. v. System Federation #40*, 57 S. Ct. 592; 300 U. S. 515; 81 L. Ed. 789.

The District Court conducted a long and exhaustive trial as indicated by the records. The District Court's opinion as reported in *O'Leary v. The Liggett Drug Company*, Civil Action 47, 53 Fed. Sup. 288 gives clear evidence of a thorough and exhaustive consideration of all the issues involved. The unreported opinion in Civil Ac-

tion 48 rendered in the instant case No. 9903, printed in the C. C. A. record, page 14, is in substance the same opinion except that in this case there is no admission of infringement by the Defendant. The District Court found it unnecessary to pass upon the question of infringement as it considered the finding of invalidity of the patent in suit to be so clear and conclusive that a determination of this issue was unnecessary.

The Circuit Court of Appeals also found that there was ample evidence to support the District Court's findings of invalidity and declined to change the District Court's decision in the single opinion rendered by the Circuit Court of Appeals for the Sixth Circuit reported in 150 Fed. (2d) 656.

B.

MECHANICAL SKILL ISSUE.

The question of mechanical skill as contrasted with invention is a question of fact.

As this Court said in *Thomson Spot Welder Company v. Ford Motor Company*, 265 U. S. 445, 446, 447; 44 S. Ct. 533; 68 L. Ed. 1098:

"The question whether an improvement requires mere mechanical skill or the exercise of the faculty of invention, is one of fact; and in an action at law for infringement is to be left to the determination of the jury. *Keyes v. Grant*, 118 U. S. 25, 36, 37; *Holmes v. Truman* (C. C. A.), 67 Fed. 542, 543; *Hall v. Wiles* (C. C.) 2 Blatchf. 194, 11 Fed. Cas. 280, 283; *Poppensen v. Falke* (C. C.) 5 Blatchf. 46, 19 Fed. Cas. 1052, 1054; *Shuter v. Davis* (C. C.) 16 Fed. 564, 566; *Blessing v. Copper Works* (C. C.), 34 Fed. 753, 754."

It is, therefore, a question of fact whether the construction of the motor of the patent in suit was developed by the use of ordinary mechanical skill in the light of the prior art. In this connection, the Court's attention is directed

to the fact that motors constructed in exact accordance with the disclosure in the Holtz patent were constructed and demonstrated during the trial before the District Court. In both of the motors that were constructed, the exact teachings of the Holtz patent were followed so that the claim in the Certiorari Petition that the motors that were in the District Court did not operate like that of the patent in suit is not supported by the record or by the opinion of either the District Court or the Circuit Court of Appeals.

The District Court and the Circuit Court of Appeals found that the prior art patents of Holtz and Rowe were complete anticipations of the patent in suit, on the face of those prior patents, the prior patents giving a full and complete disclosure of each and every element shown and claimed in the patent in suit. The Holtz and Rowe patents were the prior art patents that were not called to the attention of the Patent Office during the prosecution of the patent application.

One of the motors that was demonstrated in the District Court was constructed in exact accordance with the full and complete disclosure of the Holtz patent including the elements that were incorporated by Holtz as his invention for making the synchronous motor self-starting, these elements consisting of the shading coils around opposite poles and the winding in the rotor. The second motor that was demonstrated before the District Court was also built in direct accordance with the teachings of the Holtz patent in that the details of construction of the rotor and of the magnet and coil were followed, but the shading coils around the poles and the winding in the rotor were omitted. Thus, the second motor was built exactly like Holtz, less certain of the elements, which omission of these elements eliminated their function, namely, the self-starting feature of the motor. The second motor thus did operate as a synchronous motor exactly like the O'Leary motor of the patent in suit when brought up to synchronous speed by a manual operation.

The District Court found, and the Circuit Court of Appeals concurred, that the demonstration of operation of apparatus built in exact accordance with the prior patents was a demonstration fully in accord with the disclosure of those prior patents, and that the apparatus did operate precisely as the O'Leary patent in suit, and therefore, the apparatus was the same thing as O'Leary, particular regard having been taken of the second model of the Holtz motor wherein the elements producing the self-starting feature of the motor were removed from the motor. These are findings of fact based upon testimony of witnesses, observation of the demonstrations in open Court and the considered conclusions and judgment of the District Court after having heard and seen this evidence.

As the Court of Appeals said in this case, *O'Leary v. Liggett Drug Company*, 150 Fed. (2d) 656, 664:

"In the opinion of the district court, the most impressive prior art was exhibited in the Holtz Patent No. 1,892,553 and Rowe Patent No. 1,919,395, which were regarded as completely anticipating the claims of O'Leary in suit. Neither of these patents was cited in the patent office. The issuance of a patent creates no presumption of validity sufficient to overcome a pertinent prior art reference which has not been considered in the patent office."

Thereafter the Circuit Court of Appeals on pages 664, 665 and 666 of the above decision entered into a very thorough and elaborate "de novo" discussion in comparing these two prior art patents with the patent in suit. It arrived at an independent judgment but in concurrence with that of the District Court. It is apparent that this subject has had the most thorough consideration by the four learned judges who passed upon the matter.

Further, the Circuit Court of Appeals said in reference to the demonstrations before the District Court, at page 662:

"It is obvious from the discussion in the decision that the district court was much impressed with the demonstration at the trial of a motor precisely like the disclosure of the Holtz patent, which operated perfectly as a self-starting synchronous motor; and that a modified motor precisely like the disclosure of the Holtz patent, except that the shading coils were omitted from the field poles and the squirrel-cage winding was omitted from the motor, operated perfectly as a synchronous motor after it had been started in operation manually. The court stated that it had been demonstrated that the rotor of the modified motor had no residual magnetism, and that its operation was the same as the O'Leary motor, which also must be started manually. The assertion was made by the district court that there was substantial agreement that the Rowe patent is similar in construction and in mode of operation to the Holtz patent."

As set forth by the Court of Appeals, the only change from the Holtz patent in the demonstration models was in the second model of the Holtz patent to show that the removal of the coil would render it non-self-starting like the O'Leary motor. The Holtz patent had this additional feature over that of the O'Leary motor which was not self-starting. The Petition for Certiorari apparently attempts to show that the Holtz patent was not an anticipation without this removal. The opinions of the courts below and the records show this not to be a fact.

C.

FINDINGS OF FACT CONCERNING INVALIDITY.

Findings of invalidity based upon prior patents, demonstrations in open court of devices made in accordance with those prior patents, and testimony heard by the District Court with findings based upon such evidence, are findings that fall within the federal rule that "Findings of fact shall not be set aside unless clearly erroneous, and due re-

gard shall be given to the opportunity of the Trial Court to judge of the credibility of the witnesses."

Civil Procedure, Rule 52(a) 28 U. S. C. A. following Section 723 (c).

With all the evidence before the Court concerning the structure and principle of operation of electric motors disclosed in the prior art patents and with the demonstrations of actual models built directly in accordance with those prior patents, findings that the patent claims in issue were invalid for lack of invention as anticipated in the prior art, are not such findings that could be considered "clearly erroneous." This rule has been particularly applied in patent cases. "Federal Rules of Civil Procedure," Rule 52(a), 28 U. S. C. A. following section 723 (c), *O'Leary et al. v. Liggett Drug Co.*, 150 Fed. (2) 656, 667.

D.

COURTS NOT BOUND BY DECISIONS OF PATENT OFFICE.

The District Court, after hearing of all evidence, and the Circuit Court of Appeals in a separate study of the question of validity found that they disagreed with the Board of Appeals of the United States Patent Office particularly because of the fact that the primary anticipating prior patents to Holtz and Rowe, considered by both the District Court and the Circuit Court of Appeals to be determinative, were not before the Patent Office. Aside from the right of the District Court and the Circuit Court of Appeals to differ with the Patent Office, the presentation of this new evidence before the Court created a state of fact wherein there was no alternative but to render the O'Leary patent invalid in view of this new evidence. The presumption of validity of a patent created by the issuance of that patent is not one that cannot be overcome by prior art that was not cited by the Patent Office during the prosecution of the patent. As stated in *Lempco Products, Inc. v.*

The Timken-Detroit Axle Co., 110 Fed. (2d) 307, 310 (C. C. A. 6), certiorari denied 61 S. Ct. 42; 311 U. S. 675:

"The Autocar prior use was not, however, before the examiner in the patent office, and no presumption of validity may overcome a pertinent prior art reference not there considered. *Deller's Walker on Patents*, 2010; *Goodbody v. Firestone Steel Products Co.*, 6 Cir., 23 Fed. (2d) 625, 626; *R. Hoe & Co. v. Goss Printing Press Co.*, 2 Cir., 30 Fed. (2d) 271, page 274."

Also, see *Hobart Manufacturing Co. v. Landers, Frary & Clark*, 26 F. Sup. 199, 202; *Western Auto Supply Co. v. American-National Co.* (C. C. A. 6), 114 Fed. (2d) 711, 713; *Nordell et al. v. International Filter Co.* (C. C. A. 7), 119 Fed. (2d) 948, 950.

E.

ISSUE OF PECUNIARY CONDITION OF PETITIONER.

The major portion of the Petition of Certiorari is devoted to the question of the poverty of O'Leary. The record shows that he had the customary struggle of some inventors, which has nothing to do with the merit or demerit of the invention. It does have a bearing upon the commercial ability of the inventor, which is a matter of no moment here. No court has ever found it proper to penalize a defendant because of the lack of business ability or success of the plaintiff. Neither the wealth nor the poverty of the defendants or that of the plaintiffs has any bearing on the question of law before this Court.

F.

ISSUE OF COMMERCIAL HISTORY.

Both courts below took into full account the question of the commercial history of the invention with reference to the prior art and discarded it as having no bearing in the instant case. In doing so they acted favorably to O'Leary because if commercial success exists it would

immediately raise a doubt concerning patentable invention and therefore validity of the O'Leary patent because it would have needed commercial success in order to sustain it. However, commercial success has no bearing on patentability or validity if patentability is plainly lacking. The courts below found that the O'Leary patent was so lacking in invention that it was unnecessary to resort to the question of commercial success as determinative of the issue of patentability. *United States Gypsum Co. v. Consolidated Expanded Metal Company*, 130 Fed. (2d) 888, 892; *Carrol-Thompson Co. v. Central Brass and Fixture Co.*, 22 Fed. (2d) 253, 254.

The Circuit Court of Appeals and District Court held to the familiar rule that it is only in close cases that the question of commercial success will be considered. The O'Leary patent was not considered as being in the class of close cases on the question of invention because the Courts found it to be clearly and obviously invalid in view of the new prior art cited before the court which was not cited by the Patent Office.

SECTION III. CONCLUSIONS FROM THE FOREGOING.

The petitioner has had his day in court. He has had the benefit of able counsel and very extended trials of the three separate actions before the District Court and the benefit of an exhaustive consideration of his case by the Circuit Court of Appeals as evidenced by its learned and elaborate opinion reviewing every detail of every proposition submitted to the court. Thus, four judges concur.

Under the circumstances and the well-known rules of law, it is respectfully submitted that this petitioner has had very generous consideration of every issue of law and fact.

We also submit that the public interest in patent matters is paramount. The patent law is not designed for

commercial and financial benefit of an individual. It is designed for the promotion of the useful arts for the general public's good and welfare. O'Leary must have had a very substantial financial backing to have been able to afford the elaborate trial in the District Court and the printing of the record and work of his learned counsel in the Circuit Court of Appeals. That he has not been commercially successful or acquired the wealth that he has expected, or those who are associated with him expected, is not a matter to justify granting the Petition for Certiorari in this Court.

It is therefore respectfully submitted that the petition should be denied.

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Dayton, Ohio.
November, 1945.